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(DRAFT)
July __, 2003

County of San Bernardino
San Bernardino, California

SALE OF PARK HEIGHTS APARTMENTS PROJECT RELATING TO

\$5,520,000 County of San Bernardino, California
Multifamily Housing Revenue Refunding Bonds 1998 Series A
(Nova Park Heights Apartments) [*Redeemed*]

Ladies and Gentlemen:

We have acted as Bond Counsel to the County of San Bernardino, California (the "County") in connection with the sale of the Park Heights Apartments (the "Project") relating to the above-captioned Bonds (the "Bonds"). The Bonds were issued and delivered pursuant to a Trust Indenture (the "Indenture"), dated as of September 1, 1998, between the County and JPMorgan Chase Bank, a state banking corporation duly organized and existing under the laws of the State of New York, as the successor by merger to The Chase Manhattan Bank, as successor by merger to The Chase Bank of Texas, National Association (the "Trustee"). The proceeds of the Bonds were issued to provide funds to refinance the acquisition and construction of the Project that is located in the City of San Bernardino. The Bonds were redeemed in full on November 12, 2002. Any terms used herein and not otherwise defined herein shall have the meaning given to such terms in the Assumption Agreement as defined herein, unless otherwise specified.

The Transferor is selling the Project to _____, a California limited partnership (the "Transferee"), which transfer requires the consent of the County under the terms of a Amended and Restated Regulatory Agreement and Declaration of Restrictive Covenants dated as of April 1, 1990, among the County, the predecessor in interest to the Trustee, and the predecessor in interest to the Owner (the "Original Regulatory Agreement") as amended by that certain Amendment To Regulatory Agreement, dated as of September 1, 1998 (the "First Amendment Regulatory Agreement," together with the Original Regulatory Agreement, the "Regulatory Agreement") by and among the County, the Trustee and the Transferor. In order to fulfill that requirement, the County, the Transferor, and the Transferee, shall enter into an Assignment, Assumption and Consent Agreement (the

"Assumption Agreement"), dated as of July __, 2003, by and among the Transferee and Transferor and the County.

We have examined the Regulatory Agreement, the Assumption Agreement, the law and such certified proceedings and other papers as we deemed relevant and necessary in rendering this opinion. As to questions of fact material to our opinions set forth below, we have relied upon representations of the County contained in certified proceedings, other certifications of public officials furnished to us and representations and certification from the Transferor and the Transferee without undertaking to verify the same by independent investigation.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

(i) That the County is a political subdivision of the State of California with the power to enter into the Assumption Agreement and to perform the agreements on its part contained therein.

(ii) That the Assumption Agreement has been duly authorized, executed and delivered by the County and complies with the terms of the Regulatory Agreement and related documents, and, assuming due authorization, execution and delivery by the other respective parties thereto, constitutes the legal, valid and binding agreements of the County enforceable against the County in accordance with its terms; and

(iii) Under existing law, the sale, transfer or other disposition of the Project to the Transferee as described in the Assumption Agreement will not adversely affect the exclusion pursuant to section 103(a) of the Internal Revenue Code of 1954 (the "1954 Code") of interest on the Bonds from the gross income of the owners of the Bonds for federal income tax purposes. We are further of the opinion that the sale, transfer or other disposition of the Project to the Transferee as described in the Assumption Agreement will not cause the Bonds to become "specified private activity bonds" within the meaning of section 57(a)(5) of the Internal Revenue Code of 1986, as amended (the "1986 Code") and, therefore, will not cause the interest on the Bonds to be treated as a preference item for purposes of computing the federal alternative minimum tax imposed by section 55 of the 1986 Code. Except as stated in this paragraph, we express no opinion as to any other federal or state tax consequences of the ownership or disposition of the Bonds.

We have not been engaged, nor have we undertaken, to advise any party or to opine as to any matter not specifically covered hereinabove, including, but not limited to, any existing exclusion of interest on the Bonds from the gross income of the owners thereof for federal income tax purposes, any existing exception of the Bonds from being "specified private activity bonds" within the meaning of section 57(a)(5) of the Code, or any matter relating to compliance with any securities laws.

We are furnishing this letter for your benefit and it may not be used, circulated, quoted or otherwise referred to for any other purpose.

The foregoing opinions are qualified to the extent that the enforceability of the Regulatory Agreement and the Assumption Agreement may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws of general applicability affecting the enforcement of creditors' rights and to general principles of equity, regardless of whether such enforceability is considered in equity or in law. Further, our opinions are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may thereafter come to our attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, our opinions are not a guarantee of result and are not binding on the Internal Revenue Service; rather, such opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the representations and covenants referenced above.

Respectfully submitted,